

Senator Kent Conrad (D-ND) - Senate Floor Statement on Appropriations Process - 9/17/02

Mr. CONRAD. Mr. President, I understand certain comments were made about the slowness of the appropriations process and the assertion that not having a budget resolution pass the floor is the reason for that.

I do not think that is supported by the facts. The appropriations process is moving slowly for reasons that have no relationship to a budget resolution or having one or not having one.

The fact is, the appropriators agreed to an amount for a budget that was what was recommended in the resolution that went through the Budget Committee. The appropriators agreed unanimously--Democrats and Republicans--to adopt the budget amount for this year that the committee recommended.

So there is nothing to prevent appropriations bills from coming to the floor in an orderly process. The appropriators gave to each of the committees an allocation that added up to the amount of money that was provided for in the recommendation by the Budget Committee. So that is not the problem here.

No. 2, I think it should be pointed out that we had an opportunity on the floor to pass a budget for this year and got 59 votes. We got 59 votes. Now, it required 60 votes. But we had a bipartisan supermajority in the Senate for a budget amount for this year--not a budget resolution but a budget amount for this year. We fell one vote short of getting that amount approved.

Frankly, all of this misses the larger point. The reason we are in deep financial trouble now has nothing to do with the budget resolution for this year at all. The real problem is the budget resolution that passed last year. The budget resolution that passed last year put us on the course of a 10-year plan that has contributed to the most dramatic reversal in our fiscal fortunes in our Nation's history.

It was the budget resolution that passed last year that contained a massive and unaffordable tax cut that has undermined the fiscal strength of this country for years to come.

Last year, we were told we would have \$5.6 trillion of budget surplus over the next decade--\$5.6 trillion. Now, if we look at the Congressional Budget Office's new report, what we see is no surpluses; the money is all gone.

If we just adopt the President's recommendation on spending and taxes for the next 10 years--no additional spending by Congress, not a dime--if we just adopt his proposals, we will be \$400 billion in the red. That is after being told last year we had \$5.6 trillion of surpluses over the next decade. Now we are \$400 billion in the hole. That is a \$6 trillion turn.

And what are the reasons for it? The No. 1 reason is the tax cuts that were in last year's budget, pushed by the President, passed by the Congress. That accounts for over a third of the disappearance of the surplus.

The next biggest reason: technical considerations that apply to revenue not meeting the estimates. That is the second biggest reason--not related to the tax cut, but it is the second biggest reason.

The third biggest reason is the increased costs because of the attack on the United States.

I am talking now about, over the 10 years of the President's budget plan, what are the contributing factors to the disappearance of the surplus. The biggest reason--over a third--is the tax cut, 34 percent. The second biggest reason: revenue not meeting expectations, apart from the tax cut; that is 29 percent. Twenty-two percent is increased costs associated with the attack on the country. And the last, and smallest, part of the problem is the economic slowdown, representing 14 or 15 percent of the disappearance of the surplus.

That is the reality. The appropriations process not moving forward has nothing to do with the budget resolution being passed or not passed. The simple fact is, the appropriators agreed to the amount that was in the budget proposal that passed the Budget Committee. They did so on a unanimous basis, and they proceeded to stay within

that amount. That is the reality.

The bigger truth, the larger reality is that we have fiscal problems because of the budget that passed last year. That put us on a course that does not add up, never has added up, and will require serious work in the future, if we are going to get back on track.

I yield the floor.